

**JMT Network Services Pcl (JMT TB) - SELL, Price Bt9.15, TP Bt8.5****Results Comment**

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**Miss 3Q25 results on ECL**

- We maintain a **negative view** on JMT following a **weak 3Q25** net profit of Bt231m (-46% y-y, -6% q-q), which came in **25% below both Bloomberg consensus and our estimates**. Its 9M25 net profit accounts for 67% of our full-year 2025 forecast.
- This weakness was pressured by 1) soft cash collection; 2) a higher ECL; 3) poorer profit contribution from JK AMC; and 4) a slower new NPL acquisition.

(-) **Total cash collection amounted to Bt2.0bn (-6% q-q)**, weighed down by the weak macro environment, with both JMT and JK recording soft collections

(-) **ECL increased 116% y-y and 6% q-q**, reflecting higher provisions for NPL portfolios whose collections underperformed prior estimates, driven by the ongoing unfavorable economy.

(-) **Contribution from JK dropped 61% y-y, 25% q-q** to only Bt50m.

- (-) **Portfolio expansion remained slow**, with new NPL acquisitions of Bt120m in 3Q25, bringing 9M25 total acquisitions to Bt383m.
- We expect 4Q25 net profit to rise q-q on the usual high seasonality in cash collection, but results will likely remain weaker y-y given still-soft collection performance and limited new NPL acquisitions. We see earnings recovery remaining slow into early 2026. We therefore reiterate our Sell recommendation.

Income Statement						Income Statement					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q24	4Q24	1Q25	2Q25	3Q25	(Bt m)	q-q%	y-y%	% 2025F	2025F	2026F
Total Income	1,347	1,085	1,266	1,209	1,175	Total Income	(3)	(13)	74	4,918	4,994
Gross profit	803	850	768	772	770	Gross profit	(0)	(4)	77	3,015	3,001
SG&A	333	364	354	457	460	SG&A	1	38	83	1,530	1,530
Operating profit	471	486	413	315	310	Operating profit	(1)	(34)	70	1,485	1,471
Cash collection (JMT only)	1,396	1,464	1,345	1,277	1,226	Cash collection	(4)	(12)	75	5,164	5,186
Non-operating income	22	23	23	30	30	Non-operating income	(3)	37	113	74	75
Gain (loss) on financial assets	(2)	7	33	6	(0)	Gain (loss) on financial assets	na	na	258	15	15
Interest expense	(126)	(135)	(135)	(122)	(124)	Interest expense	na	na	76	(500)	(449)
Profit before tax	365	382	334	230	215	Profit before tax	(6)	(41)	73	1,073	1,112
Income tax	55	86	79	52	44	Income tax	(16)	(20)	78	225	222
Equity & invest. income	127	108	77	67	50	Equity & invest. income	(25)	(61)	52	377	396
Minority interests	(7)	(4)	(3)	2	3	Minority interests	19	na	(9)	(20)	(20)
Extraordinary items	0	0	0	0	7	Extraordinary items	na	na	na	0	0
Net profit	430	400	330	246	231	Net profit	(6)	(46)	67	1,205	1,265
Normalized profit	430	400	330	246	224	Normalized profit	(9)	(48)	66	1,205	1,265
EPS (Bt)	0.29	0.27	0.23	0.17	0.16	EPS (Bt)	(6)	(46)	67	0.82	0.86
Normalized EPS (Bt)	0.29	0.27	0.23	0.17	0.15	Normalized EPS (Bt)	(9)	(48)	67	0.82	0.86

  

Balance Sheet						Financial Ratios					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q24	4Q24	1Q25	2Q25	3Q25	(%)	3Q24	4Q24	1Q25	2Q25	3Q25
Cash & ST investment	1,210	3,364	5,021	2,302	5,351	Total Income grow th	3.0	(21.3)	(11.3)	(11.5)	(12.8)
A/C receivable	454	428	430	457	378	Operating profit grow th	(13.7)	(20.8)	(24.6)	(22.6)	(34.1)
Properties foreclosed	2,657	2,779	2,834	2,982	3,049	Cash collection grow th	5.0	(3.6)	(7.2)	(2.4)	(12.2)
Other current assets	2,297	2,161	2,466	2,569	2,559	Norm profit grow th	(7.8)	(25.9)	(21.1)	(32.8)	(47.8)
Investment	26,746	26,259	25,851	25,609	25,531	Norm EPS grow th	(7.8)	(25.9)	(21.1)	(32.8)	(47.8)
Fixed assets	475	507	484	469	476	Gross margin	59.7	78.3	60.6	63.9	65.6
Other assets	5,418	4,790	4,531	4,207	3,895	Operating margin	34.9	44.8	32.6	26.0	26.4
Total assets	39,257	40,288	41,618	38,594	41,238	Norm net margin	31.9	36.9	26.1	20.4	19.1
S-T debt	5,019	7,621	7,131	5,013	5,585	D/E (x)	0.4	0.4	0.5	0.4	0.5
A/C payable	458	404	320	158	238	Net D/E (x)	0.3	0.3	0.3	0.3	0.3
Other current liabilities	766	514	492	430	354	Interest coverage (x)	4.1	3.9	3.4	3.0	2.5
L-T debt	5,631	3,938	5,506	4,985	7,204	Interest rate	4.7	4.8	4.5	4.3	4.4
Other liabilities	127	161	186	190	160	Effective tax rate	15.0	22.4	23.5	22.8	20.4
Minority interest	767	771	774	772	769	ROA	4.3	4.0	3.2	2.5	2.2
Shareholders' equity	26,489	26,879	27,209	27,047	26,928	ROE	6.5	6.0	4.9	3.6	3.3
Working capital	2,654	2,803	2,944	3,281	3,190						
Total debt	10,650	11,559	12,636	9,998	12,789						
Net debt	9,440	8,195	7,615	7,697	7,438						

Sources: Company data, Thanachart estimates

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